

HIGHER EDUCATIONAL AIDS BOARD

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY01 Adjusted Base	FY02 Recommended	% Change Over FY01	FY03 Recommended	% Change Over FY02
GPR	63,858,400	63,937,700	0.1	63,937,700	0.0
PR-F	532,700	875,800	64.4	875,800	0.0
PR-O	1,000	1,000	0.0	1,000	0.0
PR-S	1,179,800	1,268,100	7.5	1,271,600	0.3
SEG-O	113,600	76,200	-32.9	76,200	0.0
TOTAL	65,685,500	66,158,800	0.7	66,162,300	0.0

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY01 Adjusted Base	FY02 Recommended	FTE Change From FY01	FY03 Recommended	FTE Change From FY02
GPR	12.36	12.36	0.00	12.36	0.00
PR-S	0.00	1.00	1.00	1.00	0.00
SEG-O	0.64	0.64	0.00	0.64	0.00
TOTAL	13.00	14.00	1.00	14.00	0.00

AGENCY DESCRIPTION

The board is a part-time independent policy-making board composed of eleven members appointed to serve at the pleasure of the Governor. The Governor appoints one member from the Board of Regents of the University of Wisconsin System; one member from the State Board of the Wisconsin Technical College System; one member who is a trustee of an independent college or university to represent such independent institutions; one student and one financial aid administrator each from within the University of Wisconsin System, Wisconsin Technical College System and independent institutions; one citizen member to represent the general public; and the state superintendent of public instruction.

The executive secretary is appointed by and serves at the pleasure of the Governor. The executive secretary makes policy recommendations to the board; carries out policy directives from the Governor, Legislature and board; and is responsible for initiating and carrying out all administrative direction and responsibilities of the agency. The agency is composed of two areas: programs and policy (student support activities); and administration and fiscal services.

The board administers the state programs of student financial aid, including scholarship, grant and loan programs; the Minnesota-Wisconsin reciprocity agreement; a contract for dental education services; and the contracts associated with the Medical College of Wisconsin. The agency's activities are organized into two programs. Program one includes financial support to individuals and program two includes the costs of administering the activities grouped under program one along with costs associated with servicing contracts associated with various loan and grant programs.

MISSION

The mission of the board is to ensure that all students are provided equal access and diversity in obtaining a higher education and to make certain the funds for each program the board administers are distributed in a fair, equitable and timely manner.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Student Support Activities

Goal: Keep the best and the brightest in the State of Wisconsin.

Objective/Activity: Academic Excellence Scholarships are awarded to Wisconsin high school seniors who have the highest grade point average in each public and private high school throughout the State of Wisconsin. The number of scholarships each high school is eligible for is based on total student enrollment. In order to receive a scholarship, a student must be enrolled on a full-time basis by September 30th of the academic year following the academic year in which he or she was designated a scholar at a participating University of Wisconsin, Wisconsin Technical College or independent institution in the state. The value of the scholarship is \$2,250 per year, to be applied towards tuition. Half of the scholarship is funded by the state, while the other half is funded by the institution.

Goal: Increase the number of minority teachers in the State of Wisconsin.

Objective/Activity: The Minority Teacher Loan Program provides loans to Wisconsin resident, minority, undergraduate juniors or seniors who are enrolled at least half-time in programs leading to teacher licensure at independent or University of Wisconsin institutions. The maximum award per year is \$2,500 with an overall maximum of \$5,000. According to the statutes, a minority student is defined as a student who is either an African American, American Indian, Hispanic, or Southeast Asian from Laos, Cambodia or Vietnam admitted to the United States after December 31, 1975. The student who participates in this program must agree to teach in a Wisconsin school district in which minority students constitute at least twenty-nine percent of total enrollment or in a school district participating in the inter-district pupil transfer (Chapter 220) program. For each year the student teaches in an eligible school district, 25 percent of the loan is forgiven. If the student does not teach in an eligible district, the loan must be repaid at an interest rate of five percent.

PERFORMANCE MEASURES

Prog. No.	Performance Measure	Actual 2000	Goal 2001	Goal 2002	Goal 2003
1.	Percentage of recipients persuaded by scholarship to attend school in Wisconsin.	53.5%	53.5%	53.5%	63.5%
1.	Percentage of "scholarship recipient graduates" who plan to stay in Wisconsin after graduation.	59.3%	59.3%	59.3%	59.3%
1.	Percentage of minority teacher loan recipient awards forgiven or expected to be forgiven.	71%	71%	71%	71%

HIGHER EDUCATIONAL AIDS BOARD

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. IT Project Proposal: Mainframe Upgrade
2. Sum Sufficient Program Reestimates
3. Indian Student Assistance Grant Funding
4. Wisconsin Higher Education Grant Funding: Tribal Colleges
5. SASI Initiative
6. Federal Revenue Reestimates
7. Budget Efficiency Measures
8. Standard Budget Adjustments

ITEMS NOT APPROVED

9. Wisconsin Higher Education Grant Funding: UW System
10. Wisconsin Higher Education Grant Funding: Technical Colleges
11. Tuition Grant Funding
12. Talent Incentive Grants Funding
13. Dental Education Contract Funding
14. Minority Undergraduate Retention Grants Funding
15. Handicapped Student Grant Funding
16. Minority Teacher Loans Funding
17. Teacher Education Loan Funding
18. Loan for Teachers of Visually Impaired Pupils Funding
19. Position Funding Transfer

Table 1
Department Budget Summary by Funding Source (in thousands of dollars)

	ACTUAL FY00	ADJUSTED BASE FY01	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY02	FY03	FY02	FY03
GENERAL PURPOSE REVENUE	\$53,037.5	\$63,858.4	\$64,070.2	\$64,661.8	\$63,937.7	\$63,937.7
State Operations	725.2	784.9	934.7	924.2	802.2	802.2
Aids to Ind. & Org.	52,312.3	63,073.5	63,135.5	63,737.6	63,135.5	63,135.5
FEDERAL REVENUE (1)	532.7	532.7	875.8	875.8	875.8	875.8
Aids to Ind. & Org.	532.7	532.7	875.8	875.8	875.8	875.8
PROGRAM REVENUE (2)	1,118.2	1,180.8	1,180.8	1,192.6	1,269.1	1,272.6
State Operations					88.3	80.0
Aids to Ind. & Org.	1,118.2	1,180.8	1,180.8	1,192.6	1,180.8	1,192.6
SEGREGATED REVENUE (3)	103.5	113.6	69.8	66.8	76.2	76.2
State Operations	103.5	113.6	69.8	66.8	76.2	76.2
TOTALS-ANNUAL	54,791.9	65,685.5	66,196.6	66,797.0	66,158.8	66,162.3
State Operations	828.7	898.5	1,004.5	991.0	966.7	958.4
Aids to Ind. & Org.	53,963.2	64,787.0	65,192.1	65,806.0	65,192.1	65,203.9

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

Table 2
Department Position Summary by Funding Source (in FTE positions) (4)

	ADJUSTED BASE FY01	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY02	FY03	FY02	FY03
GENERAL PURPOSE REVENUE	12.36	14.45	14.51	12.36	12.36
PROGRAM REVENUE (2)				1.00	1.00
SEGREGATED REVENUE (3)	0.64	0.55	0.49	0.64	0.64
TOTALS-ANNUAL	13.00	15.00	15.00	14.00	14.00

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

(4) All positions are State Operations unless otherwise specified

**Table 3
Department Budget Summary by Program (in thousands of dollars)**

	ACTUAL FY00	ADJUSTED BASE FY01	AGENCY REQUEST FY02 FY03		GOVERNOR'S RECOMMENDATION FY02 FY03	
1. Student support activities	\$53,963.2	\$64,786.0	\$65,191.1	\$65,805.0	\$65,279.4	\$65,282.9
2. Administration	828.7	899.5	1,005.5	992.0	879.4	879.4
TOTALS	54,791.9	65,685.5	66,196.6	66,797.0	66,158.8	66,162.3

**Table 4
Department Position Summary by Program (in FTE positions) (4)**

	ADJUSTED BASE FY01	AGENCY REQUEST FY02 FY03		GOVERNOR'S RECOMMENDATION FY02 FY03	
1. Student support activities				1.00	1.00
2. Administration	13.00	15.00	15.00	13.00	13.00
TOTALS	13.00	15.00	15.00	14.00	14.00

(4) All positions are State Operations unless otherwise specified

1. IT Project Proposal: Mainframe Upgrade

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	127,900	2.00	114,400	2.00	0	0.00	0	0.00
PR-S	0	0.00	0	0.00	88,300	1.00	80,000	1.00
TOTAL	127,900	2.00	114,400	2.00	88,300	1.00	80,000	1.00

The Governor recommends providing \$88,300 PR-S in FY02 and \$88,000 PR-S in FY03, and 1.0 FTE PR-S project position beginning in FY02 to allow the agency to upgrade its mainframe computer programs. The completion of the project will allow the board to proactively anticipate and implement changes to the system, enabling the agency to more efficiently serve its customers. Funding will come from the dissolution of the Wisconsin Advanced Telecommunications Foundation's endowment fund.

2. Sum Sufficient Program Reestimates

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	62,000	0.00	62,000	0.00	62,000	0.00	62,000	0.00
TOTAL	62,000	0.00	62,000	0.00	62,000	0.00	62,000	0.00

The Governor recommends adjustments in the agency's budget to reflect a reestimate of costs associated with the Academic Excellence Scholarship Program (\$62,000 in each year). The Governor further recommends changing the name of the Academic Excellence Scholarship Program to the Governor Thompson Scholarship Program.

3. Indian Student Assistance Grant Funding

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	0	0.00	7,800	0.00	0	0.00	7,800	0.00
TOTAL	0	0.00	7,800	0.00	0	0.00	7,800	0.00

The Governor recommends increasing funding by one percent in FY03 to help expand needy students' access to post-secondary education. The program provides grants based on financial need to resident undergraduate students who are at least 25 percent Native American and who are attending an institution of higher education in the state. Funding for this program comes from Indian gaming revenues. See Department of Administration, Item #23.

4. Wisconsin Higher Education Grant Funding: Tribal Colleges

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	0	0.00	4,000	0.00	0	0.00	4,000	0.00
TOTAL	0	0.00	4,000	0.00	0	0.00	4,000	0.00

The Governor recommends increasing funding by one percent in FY03 to help expand needy students' access to tribal post-secondary educational institutions. The program provides grants based on financial need to resident undergraduate students attending a tribal college in the state. Funding for this program comes from Indian gaming revenues. See Department of Administration, Item #23.

5. SASI Initiative

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	39,700	0.00	39,700	0.00
SEG-O	0	0.00	0	0.00	2,100	0.00	2,100	0.00
TOTAL	0	0.00	0	0.00	41,800	0.00	41,800	0.00

The Governor recommends the indicated funding for basic desktop information technology support as part of a Small Agency Support Infrastructure (SASI) program. This initiative is described under Department of Administration, Item #5.

6. Federal Revenue Reestimates

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	343,100	0.00	343,100	0.00	343,100	0.00	343,100	0.00
TOTAL	343,100	0.00	343,100	0.00	343,100	0.00	343,100	0.00

The Governor recommends adjustments in the agency's expenditure authority for federal appropriations based on reestimates of funding.

7. Budget Efficiency Measures

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-39,200	0.00	-39,200	0.00
TOTAL	0	0.00	0	0.00	-39,200	0.00	-39,200	0.00

The Governor recommends reducing the agency's largest GPR state operations appropriation in the amounts shown to create additional operational efficiencies.

8. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendation			
	FY02		FY03		FY02		FY03	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	17,600	0.00	17,600	0.00	16,800	0.00	16,800	0.00
SEG-O	-39,500	0.00	-39,500	0.00	-39,500	0.00	-39,500	0.00
TOTAL	-21,900	0.00	-21,900	0.00	-22,700	0.00	-22,700	0.00

The Governor recommends adjustments to the agency's base budget for: (a) full funding of continuing position salaries and fringe benefits (-\$30,400 in each year); (b) reclassifications (\$5,600 in each year); (c) full funding of lease and directed moves costs (\$2,100).

ITEMS NOT APPROVED

The following requests are not included in the Governor's budget recommendations for the Higher Educational Aids Board.

Decision Item	Source of Funds	FY02		FY03	
		Dollars	Positions	Dollars	Positions
9. Wisconsin Higher Education Grant Funding: UW System	GPR	0	0.00	189,000	0.00
10. Wisconsin Higher Education Grant Funding: Technical Colleges	GPR	0	0.00	132,000	0.00
11. Tuition Grant Funding	GPR	0	0.00	210,400	0.00
12. Talent Incentive Grants Funding	GPR	0	0.00	45,000	0.00
13. Dental Education Contract Funding	GPR	0	0.00	11,700	0.00
14. Minority Undergraduate Retention Grants Funding	GPR	0	0.00	6,900	0.00
15. Handicapped Student Grant Funding	GPR	0	0.00	1,200	0.00
16. Minority Teacher Loans Funding	GPR	0	0.00	2,400	0.00
17. Teacher Education Loan Funding	GPR	0	0.00	2,500	0.00
18. Loan for Teachers of Visually Impaired Pupils Funding	GPR	0	0.00	1,000	0.00
19. Position Funding Transfer	GPR	4,300	0.09	7,300	0.15
	SEG-O	-4,300	-0.09	-7,300	-0.15
TOTAL OF ITEMS NOT APPROVED	GPR	4,300	0.09	609,400	0.15
	SEG-O	-4,300	-0.09	-7,300	-0.15